Utsch Louis W
Form 4
February 07, 2019

# FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL | |
|---|---|
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Utsch Louis W

(Last) (First) (Middle)

300 PEACH STREET, P.O. BOX 7000

(Street)

EL DORADO, AR 71730

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
MURPHY OIL CORP /DE [MUR]

3. Date of Earliest Transaction (Month/Day/Year)
02/05/2019

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1.Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | | | | | | | | 0 | D | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**
**(*e.g.*, puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Performance Stock Unit (1) | (2) | 02/05/2019 | | A | | 15,000 | | (2) | (2) | Common Stock | 15,000 |
| Restricted Stock Unit (3) | (2) | 02/05/2019 | | A | | 5,000 | | (2)(4) | (2)(4) | Common Stock | 5,000 |

# Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---|---|---|---|
| | Director | 10% Owner | Officer | Other |
| Utsch Louis W<br>300 PEACH STREET<br>P.O. BOX 7000<br>EL DORADO, AR 71730 | | | Vice President | |

# Signatures

| | |
|---|---|
| /s/ E. Ted Botner, attorney-in-fact | 02/07/2019 |
| **Signature of Reporting Person | Date |

# Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

**(1)** Performance-based restricted stock unit award granted under the 2018 Long-Term Incentive Plan.

**(2)** These Securities generally do not carry a Conversion Price, Exercisable Date, or Expiration Date.

**(3)** Time-based restricted stock unit award granted under the 2018 Long-Term Incentive Plan.

**(4)** Vest date is February 5, 2022.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. TH="49%">

Income from continuing operations before income taxes

37,586 62,037 (16,550) 83,073

Income tax provision

13,613 26,895 (6,620) (22) 33,888

| | | | | |
|---|---|---|---|---|
| Income from continuing operations | $23,973 | $35,142 | $(9,930) | $49,185 |
| Earnings per share from continuing operations: | | | | |
| Basic | $0.86 | $1.90 | | $1.03 |
| Diluted | 0.84 | 1.85 | | 1.02 |
| Average common shares outstanding: | | | | |
| Basic | 28,004 | 18,507 | | 47,661 |

Diluted

| | | |
|---|---|---|
| 28,371 | 18,999 | 48,028 |

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**Unaudited Condensed Combined Pro Forma Statement of Operations**

**For the Nine Months Ended September 30, 2003**

| | Historical | | Pro Forma | | |
|---|---|---|---|---|---|
| | Yellow | Roadway (for the three quarters ended September 13, 2003) | Adjustments | | Combined |
| | (in thousands, except per share data) | | | | |
| Revenue | $ 2,165,251 | $ 2,247,192 | $ 6,900 | (8) | $ 4,419,343 |
| Operating expenses: | | | | | |
| Salaries, wages and employees benefits | 1,386,061 | 1,420,832 | | | 2,806,893 |
| Operating expenses and supplies | 320,341 | 382,846 | (453) | (13) | 702,734 |
| Operating taxes and licenses | 59,510 | 57,069 | | | 116,579 |
| Claims and insurance | 39,972 | 44,774 | | | 84,746 |
| Depreciation and amortization | 62,206 | 50,827 | 453 | (13) | 113,411 |
| | | | (75) | (19) | |
| Purchased transportation | 213,971 | 227,755 | | | 441,726 |
| (Gains) losses on property disposals, net | 422 | (4,227) | | | (3,805) |
| Acquisition, spin-off and reorganization charges | 864 | 24,337 | (24,337) | (20) | 864 |
| Total operating expenses | 2,083,347 | 2,204,213 | (24,412) | | 4,263,148 |
| Operating income | 81,904 | 42,979 | 31,312 | | 156,195 |
| Interest expense | 11,796 | 14,616 | 3,174 | (13) | 45,087 |
| | | | 15,501 | (21) | |
| ABS facility charges | | 2,539 | (2,539) | (21) | |
| Other, net | 1,978 | 1,962 | (3,174) | (13) | 766 |
| Nonoperating expenses, net | 13,774 | 19,117 | 12,962 | | 45,853 |
| Income from continuing operations before income taxes | 68,130 | 23,862 | 18,350 | | 110,342 |
| Income tax provision | 26,775 | 12,790 | 7,340 | (22) | 46,905 |
| Income from continuing operations | $ 41,355 | $ 11,072 | $ 11,010 | | $ 63,437 |
| Earnings per share from continuing operations: | | | | | |
| Basic | $ 1.40 | $ 0.58 | | | $ 1.29 |
| Diluted | 1.39 | 0.58 | | | 1.28 |
| Average common shares outstanding: | | | | | |
| Basic | 29,578 | 19,018 | | | 49,235 |
| Diluted | 29,832 | 19,038 | | | 49,489 |

Explanation of Responses:

**NOTES TO UNAUDITED CONDENSED COMBINED PRO FORMA**

**FINANCIAL STATEMENTS**

(1) The process of valuing Roadway s tangible and intangible assets and liabilities as well as evaluating accounting policies for conformity is still in the preliminary stages. Material revisions to our current estimates could be necessary as the valuation process and accounting policy review are finalized. These unaudited condensed combined pro forma financial statements are not necessarily indicative of the operating results or financial position that would have occurred had the proposed acquisition been consummated at the dates indicated, nor necessarily indicative of future operating results.

The purchase price for the Roadway acquisition is not fixed at this time. As described more fully in previous filings with the Securities and Exchange Commission, the exchange ratio is subject to adjustment if the 20-trading-day average closing price of Yellow common stock is not between $21.21 and $28.69 (the collar ). If the 20-trading-day average is above or below the collar, the number of Yellow shares issued as part of the merger consideration and the value assigned to each share for purchase accounting purposes could increase or decrease significantly. The 20-trading-day average determined as of November 17, 2003 was $32.84, which is above the collar. To illustrate the potential impact on the purchase price if the 20-trading-day average remains above the collar at the time the Roadway acquisition is consummated, the table on the following page shows two different scenarios for the estimated purchase price.

**20-trading-day average is within the collar this is the scenario reflected in the unaudited condensed combined pro forma financial statements**

Merger consideration of approximately $963.1 million, based on $24.00 cash consideration per Roadway share, an exchange ratio of 1.924 Yellow shares for each Roadway share and the assumption of a 50% cash, 50% stock election by Roadway shareholders. For purchase accounting purposes, the Yellow common stock component of the merger consideration was valued at $24.05 per share, which represents the simple average of the daily opening and closing trade prices for the period from July 3, 2003 through July 10, 2003, the period immediately surrounding the date of the announcement of the proposed merger.

**20-trading-day-average is above the collar illustrative scenario not reflected in the unaudited condensed combined pro forma financial statements**

Merger consideration of approximately $1,038.4 million, based on $24.00 cash consideration per Roadway share, an exchange ratio of 1.681 Yellow shares for each Roadway share and the assumption of a 50% cash, 50% stock election by Roadway shareholders. For purchase accounting purposes, the Yellow common stock component of the merger consideration was valued at $31.91 per share, which represents the simple average of the daily opening and closing trade prices for the period from November 11, 2003 through November 17, 2003, a period immediately preceding the date of this document. The value per share eventually assigned to Yellow common stock for purchase accounting purposes would vary from this amount and would be based on the simple average of the daily opening and closing trade prices for the period two days before through two days after the point in time when the number of Yellow shares to be issued as merger consideration becomes fixed.

| | Amounts Included in Pro Forma Financial Statements 20-Trading-Day Average Closing Price Within the Collar | | Illustrative Scenario 20-Trading-Day Average Closing Price Above the Collar |
|---|---|---|---|
| | | (in thousands) | |
| Cash | $ 490,395 | | $ 490,395 |
| Common stock (19.7 million and 17.2 million Yellow shares, respectively) | 472,742 | | 547,983 |
| Total merger consideration | 963,137 | | 1,038,378 |
| Acquisition and change of control costs | 49,150 | | 49,150 |
| Total purchase price | 1,012,287 | | 1,087,528 |
| Net tangible assets acquired at fair value | 224,067* | | 224,067* |
| Costs in excess of net tangible assets of the acquired company (Goodwill) | $ 788,220** | | $ 863,461** |

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* Net tangible assets acquired at fair value is comprised of the following (in thousands):

| | | |
|---|---|---|
| Roadway historical net tangible assets at September 13, 2003 | | $ 157,711 |
| Purchase accounting adjustments, as described in the following notes: | | |
| Merger-related expenses incurred by Roadway | (9,830) | |
| Write-off of certain deferred financing costs | (7,430) | |
| Conform revenue recognition policy | 25,000 | |
| Adjust property and equipment to fair value | 220,000 | |
| Adjust senior notes to fair value | (27,326) | |
| Conform workers compensation policy | (35,700) | |
| Adjustment to pension and postretirement health care liabilities | (50,800) | |
| Current and deferred income taxes associated with purchase accounting adjustments | (47,558) | |
| Total purchase accounting adjustments | | 66,356 |
| Net tangible assets acquired at fair value | | $ 224,067 |

** Goodwill reflects the preliminary estimated adjustment for the costs in excess of net tangible assets of Roadway at estimated fair value. Subsequent to closing of the acquisition, we will be completing a study to determine the allocation of the total purchase price to the various tangible and intangible assets acquired and the liabilities assumed in order to allocate the purchase price. Management believes, on a preliminary basis, there may be identifiable intangible assets that will be assigned a fair value in the purchase price allocation. The sensitivity of the valuations regarding the above can be significant. Accordingly, as we conclude our evaluation of the assets acquired and liabilities assumed upon closing the acquisition, allocation of the purchase price among the tangible and intangible assets will be subject to change. Any such change may also impact results of operations.

(2) Reflects gross proceeds of the proposed offering.

(3) Reflects gross proceeds of $175.0 million of secured term loan borrowings under the currently contemplated bank financing related to the proposed acquisition.

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(4) Reflects additional borrowings under Yellow s asset backed securitization (ABS) facility, including $20 million of secured indebtedness under its ABS facility that will not be necessary if the initial purchasers exercise in full their option to purchase up to $20 million aggregate principal amount of additional Notes in conjunction with the proposed offering.

(5) Reflects the elimination of Roadway s ABS facility as a component of the currently contemplated financing transactions. As Roadway s ABS facility receives sales treatment for financial reporting purposes and is therefore not reflected on its balance sheets, elimination of that facility effectively brings accounts receivable back onto the balance sheet.

(6) Represents costs associated with completing the proposed acquisition of Roadway, the proposed offering, our recent offering of 5.0% contingent convertible senior notes due 2023 and other currently contemplated bank financing related to the Roadway acquisition, as follows (in thousands):

| | Estimated Total Costs | Costs Incurred as of September 30, 2003 (September 13, 2003 for Roadway) | Estimated Remaining Costs to be Incurred |
|---|---|---|---|
| Direct transaction costs, including investment banking, legal, accounting and other fees: | | | |
| Yellow | $ 12,650 | $ 4,890 | $ 7,760 |
| Roadway | 11,900 | 2,070 | 9,830 |
| Deferred debt issuance costs | 29,100 | 8,080 | 21,020 |
| Bridge financing costs | 4,500 | 2,250*** | 2,250 |
| Debt prepayment penalties | 2,300 | 2,300 | |
| Director, officer and fiduciary insurance premium costs | 6,100* | | 6,100 |
| Change of control costs | 30,400** | | 30,400 |
| Total | $ 96,950 | $ 19,590 | $ 77,360 |

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* This item represents the estimated cost to provide director, officer and fiduciary liability insurance coverage for Roadway directors, officers and employees for periods prior to the date of the proposed merger. In accordance with the merger agreement, this coverage will be provided for six years after the effective date of the proposed merger.

** The change of control costs represent the estimated maximum cost of various change of control provisions for key Roadway executives.

*** As of September 30, 2003, this amount had been accrued but not paid.

(7) Reflects the payoff of certain existing indebtedness in conjunction with the currently contemplated bank financing and the write-off of deferred financing costs.

(8) Represents the adjustment necessary to conform Roadway s revenue recognition policy to the policy used by Yellow.

(9) Represents the impact on currently payable and deferred income taxes of the pro forma adjustments presented.

(10) Represents the net adjustment to Roadway s property and equipment based on initially estimated fair values.

(11) Represents the elimination of Roadway s historical accumulated depreciation.

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(12) Represents the elimination of the historical goodwill of Roadway.

(13) Reflects certain balance sheet and statement of operations reclassifications made to conform Roadway s presentation to the presentation used by Yellow.

(14) Represents an increase in the fair value of Roadway s senior notes based on current market prices.

(15) Represents the estimated adjustment necessary to conform Roadway s workers compensation accrual policy to the policy used by Yellow.

(16) Represents the estimated adjustment necessary to eliminate previously unrecognized gains or losses, prior service cost, and transition assets or obligations related to Roadway s defined benefit pension and postretirement health care benefit plans for employees not covered by collective bargaining agreements.

(17) Represents the elimination of Roadway s historical shareholders equity balances.

(18) Represents the after-tax impact of bridge financing costs associated with completing the currently contemplated bank financing.

(19) Adjustment to record lower depreciation expense on the new basis of Roadway s property and equipment. The fair value of longer-lived assets increased while the fair value of shorter-lived assets decreased.

(20) Adjustment to eliminate the expense related to the vesting of restricted stock awards, other compensation and transaction fees associated with the acquisition of Roadway by Yellow that were recognized on Roadway s historical Statement of Consolidated Income for the thirty-six weeks ended September 13, 2003.

(21) Adjustment to record additional interest expense and amortization of deferred financing costs on borrowings related to the proposed offering, our recent offering of 5.0% contingent convertible senior notes due 2023 and other currently contemplated bank financing related to the proposed acquisition. The estimated weighted average annual interest rate of the completed and currently contemplated debt structure is 6.2%. A 1/8th% change in the variable interest rates associated with these borrowings would have a $0.3 million effect on annual interest expense. A $10.0 million change in the amount of borrowings necessary to finance the proposed acquisition would have a $0.4 million effect on annual interest expense.

(22) Adjustment to record the income tax impact of the pro forma adjustments at an effective income tax rate of 40.0%.